GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1245
ANSWERED ON:02.03.2001
CREDIT RATING AGENCIES
UMMAREDDY VENKATESWARLU

Will the Minister of FINANCE be pleased to state:

(a) whether RBI has given any permission to Credit Rating Agencies to operate in the country ;

(b) if so, the details of foreign credit Rating Agencies which are at present operating in the country ;

(c) whether they have to pay any fees to the RBI ;

(d) if so, the details of the fees charged by RBI and the services rendered ;

(e) whether RBI stipulates the fees that such agencies can charge ; and

(f) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

a) All the credit rating agencies operating in India are incorporated under Indian Companies Act, 1956. Credit rating agencies are regulated by SEBI, not by RBI. SEBI grants registration to credit rating agencies for rating of securities only.

(b) Foreign rating agencies have invested in India based credit rating agencies. The details of investments made are provided in the annex.

c) No, Sir.

d) Does not arise.

e) No, Sir.

f) Does not arise.

Annex

Details of investments made by Foreign rating agencies

Sl. No	Name of the Foreign rating agency.	Name of Indian Company	% equity held by foreign rating agency
1.	Duff & Phelps Credit Rating USA	B.R. Sule Gateway Building Apollo Bunder Mumbai 400 001	54.00 %
2.	M/s. Thomson Bankwatch Inc. NEWYORK, USA	Bankwatch (India) Ltd., B-6/6, Commercial Complex, Safdarjung Enclave New Delhi 110 029	51.00%
3.	Moodys` Investors Service Inc. USA	ICRA Ltd. 4th Floor, Kailash Building 26, K.G. Marg,	12.15%

New Delhi 110 001

4. Standard & Poor`s Financial Services, USA	Credit Rating Information Services India Ltd. (CRISIL)	9.68%